

LEGISLATURE OF NEBRASKA
NINETY-EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 177

Introduced by Redfield, 12; Quandahl, 31

Read first time January 10, 2003

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend sections
2 77-2003, 77-2008.01, 77-2009, 77-2012, 77-2014, 77-2017
3 to 77-2018.02, 77-2018.07 to 77-2028, 77-2032, 77-2037,
4 and 77-2039, Reissue Revised Statutes of Nebraska; to
5 change the manner of collecting inheritance taxes; to
6 harmonize provisions; to provide an operative date; to
7 repeal the original sections; and to outright repeal
8 sections 77-2018.03 and 77-2030, Reissue Revised Statutes
9 of Nebraska.
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2003, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 77-2003. The tax imposed upon transfers under sections
4 77-2001 and 77-2002 shall be paid to the ~~treasurer of~~ Department of
5 Revenue for credit to the proper county or counties and all heirs,
6 legatees, ~~and~~ devisees, personal representatives, other recipients
7 of property subject to tax, and trustees shall be liable for any
8 and all such taxes until the same shall have been paid as
9 hereinafter directed. This tax shall be a lien on the ~~real~~
10 property subject thereto until paid or otherwise terminated
11 pursuant to section 77-2037, except that no interest in any
12 property passing from the decedent to the decedent's surviving
13 spouse shall be subject to the lien. The department shall remit
14 any tax to the proper county or counties upon final determination
15 of the inheritance tax due, but in no event shall the remittance be
16 later than thirty days after the final disposition of the property
17 of the estate by the personal representative or county court.

18 Sec. 2. Section 77-2008.01, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 77-2008.01. When property is devised, bequeathed, or
21 otherwise transferred or limited in trust or otherwise in such a
22 manner as to be subject to the tax prescribed in sections 77-2001
23 to 77-2008, and the rights, interests, or estates of the
24 transferees, legatees, devisees, or beneficiaries are dependent
25 upon contingencies or conditions whereby they may be wholly or in
26 part created, defeated, extended, or abridged, an inheritance tax
27 shall be imposed upon such transfer at the highest rate which, on
28 the happening of any of the contingencies or conditions, would be

1 possible under the provisions of Chapter 77, article 20, or to any
2 person, corporation, or institution payable at the time prescribed
3 in section 77-2010. On ~~PROVIDED, that on~~ the happening of any
4 contingency or condition whereby the ~~said~~ property, or any part
5 thereof, is transferred to any person, corporation, or institution,
6 exempt from taxation under the provisions of Chapter 77, article
7 20, or to any person, corporation, or institution as to whom or
8 which the rate of tax is less than the rate imposed and paid, such
9 person, corporation, or institution shall be entitled to a
10 redetermination of the tax and to a return by the ~~county treasurer~~
11 ~~or county treasurers~~ Department of Revenue of so much of the tax
12 imposed and paid as equals the difference between the amount
13 imposed and paid and the amount which such person, corporation, or
14 institution should pay under Chapter 77, article 20. If the ~~AND~~
15 ~~PROVIDED FURTHER, that where~~ such tax imposed and paid is held by
16 the ~~county treasurer or county treasurers~~ department, as provided
17 in this section, the county court having jurisdiction is authorized
18 and empowered to enter an order in the estate and forward a copy
19 thereof to the ~~county treasurer or county treasurers~~ department,
20 directing ~~said county treasurer or county treasurers~~ the department
21 to invest and reinvest ~~said~~ the funds so held in United States
22 Government bonds, United States treasury certificates, United
23 States treasury notes, or other direct obligations of the United
24 States Government, and interest at the rate drawn by ~~said~~ the
25 bonds, certificates, notes or other government obligations, as
26 herein provided, shall be credited to the particular inheritance
27 tax account so held. Upon redetermination of the inheritance tax,
28 the tax refunded, if any, together with the interest received on

1 the sum refunded, shall be paid by the ~~county treasurer or county~~
2 ~~treasurers~~ department in a lump sum to the estate of the deceased
3 person paying ~~said~~ the tax, or to the person or persons found
4 entitled thereto by the county court, and the balance of ~~said~~ the
5 tax, together with the interest received thereon, shall be credited
6 by the ~~county treasurer or county treasurers~~ department to the
7 general inheritance tax fund of the county or counties. Where an
8 estate for life or for a term can be divested by the act or
9 omission of the legatee, devisee, transferee, or beneficiary it
10 shall be taxed as if there were no possibility of such divesting.

11 Sec. 3. Section 77-2009, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 77-2009. (1) When property is devised, bequeathed, or
14 otherwise transferred or limited, in trust or otherwise, in such a
15 manner as to be subject to the tax prescribed in sections 77-2001
16 to 77-2008.02, and the rights, interest, or estates of the
17 transferees, legatees, devisees, or beneficiaries are dependent
18 upon contingencies or conditions whereby they may be wholly or in
19 part created, defeated, extended, or abridged or when the rights of
20 the transferees, legatees, devisees, or beneficiaries to possession
21 or enjoyment of said property are subject to an intervening life
22 estate or temporary estate, then and in that event any person or
23 persons interested in such property, by giving a bond as provided
24 for in subsection (2) of this section, with surety or sureties
25 approved by the county judge, may elect not to pay the tax
26 resulting from the inheritance or transfer of the uncertain,
27 contingent, or postponed interest until the contingency has
28 occurred, the uncertainty has been resolved, or the person against

1 whom the tax is assessed shall have come into actual possession or
2 enjoyment of the property.

3 (2) The bond referred to in subsection (1) of this
4 section shall be filed in the county court where the estate
5 proceedings are pending and shall bind the surety or sureties on
6 ~~said the~~ bond to the ~~county where the estate proceedings are~~
7 ~~pending and to such other counties as the county judge may direct~~
8 Department of Revenue in an amount to be determined by the county
9 judge, but not to exceed in any event two times the amount of the
10 estimated tax. Such bond shall be conditioned upon the payment of
11 the tax with interest by the person or persons primarily liable
12 therefor when the contingency has occurred, the uncertainty has
13 been resolved, or the person or persons against whom the tax has
14 been assessed shall have come into the possession or enjoyment of
15 ~~said the~~ property.

16 (3) It is expressly provided that no bond, referred to in
17 subsections (1) and (2) of this section, shall be required on
18 account of the tax resulting from the inheritance or transfer of
19 ~~real~~ property, which is subject to a lien for the tax involved,
20 unless it is the desire of the owner or other person interested in
21 ~~said the~~ property to release any such lien against ~~said real estate~~
22 the property and in that event, by furnishing a bond as described
23 in subsection (2) of this section, the lien against the ~~real estate~~
24 property shall cease and ~~said the~~ property may be transferred free
25 from any lien arising from the inheritance tax. Interest on any
26 such uncertain, contingent, or postponed interest in property shall
27 be charged only at the rate used in valuing such uncertain,
28 contingent, or postponed interest in property pursuant to

1 regulations issued under section 77-2008.

2 Sec. 4. Section 77-2012, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 77-2012. (1) Whenever any legacy shall be charged upon
5 or payable out of real estate or personal property, the heir or
6 devisee before paying the same shall deduct the tax therefrom and
7 pay the same to the executor, administrator, or trustee. The tax
8 shall remain a charge upon the real estate or personal property
9 until paid, and the payment thereof shall be enforced by the
10 executor, administrator, or trustee in the same manner that the
11 payment of the legacies might be enforced. If, however, the legacy
12 be is given in money to any person for a limited period, he or she
13 shall retain the tax upon the whole amount, but, if it be is not in
14 money, he or she shall make application to the court having
15 jurisdiction of his account Department of Revenue to make
16 apportionment, if the case requires it, of the sum to be paid into
17 his or her hands by such legatees, and for such further order
18 relative thereto as the case may require.

19 (2) Every Nebraska corporation organized for profit shall
20 notify the department of all transfers of its stock made by any
21 person who appears on the books of the corporation as the owner of
22 the stock, when the transfer is made to take effect at or after the
23 death of the owner or transferor and all transfers made by a
24 personal representative. The notification shall show the name of
25 the owner of the stock and the owner's place of residence, the name
26 of the person at whose request the stock was transferred, the
27 person's place of residence and the authority by virtue of which
28 the person acted in making the transfer, the name and residence of

1 the person to whom the transfer was made, and other information the
2 corporation has relating to estates of persons deceased that may
3 have been owners of stock of the corporation.

4 (3) No person or financial institution shall permit the
5 withdrawal of funds from a joint account or a payable on death
6 account by a surviving joint owner or beneficiary without first
7 notifying the department of the balance in such account at the date
8 of decedent's death and the name and residence of the surviving
9 joint owner or beneficiary. Such notification may be by mailing
10 the required information to the department by ordinary mail no
11 later than the date of withdrawal by the joint owner or
12 beneficiary. A person or financial institution shall only be
13 liable for any inheritance tax due for willful failure to notify
14 the department.

15 Sec. 5. Section 77-2014, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 77-2014. (1) Every sum of money retained by an executor,
18 administrator, or trustee, or paid into his or her hands for any
19 tax on any property, shall be paid by him or her within thirty days
20 thereafter to the ~~treasurer of the proper county, and the treasurer~~
21 Department of Revenue, and the department shall give, and every
22 executor, administrator, or trustee shall take a receipt from him
23 or her of ~~said~~ the payments. The department shall credit the tax
24 to the account of the proper county or counties.

25 (2) (a) For purposes of ~~this section~~ inheritance tax,
26 proper county shall mean the county of the decedent's residence,
27 except (i) when the decedent had an interest in real property
28 located in a county other than his or her residence at the time of

1 the death of the decedent, the words proper county shall mean the
2 county in which the real property is situated, or (ii) when the
3 decedent had an interest in personal property subject to being
4 listed and assessed for personal property taxation at the time of
5 the death of the decedent, the words proper county shall mean the
6 county where the property is listed and assessed.

7 (b) When the decedent is a nonresident, proper county
8 shall mean the county provided in subdivisions (2)(a)(i) and
9 (2)(a)(ii) of this section and, as to any other property which may
10 be subject to Nebraska inheritance taxation, the county where such
11 property is located.

12 (3) The total inheritance tax assessed against the estate
13 shall be apportioned among the counties in the ratio that the value
14 of the gross property subject to tax located in each county bears
15 to the gross value of all property reportable for Nebraska
16 inheritance tax purposes.

17 (4) Questions that may arise as to the proper place to
18 list and assess such personal property for the purposes of sections
19 77-2001 to ~~77-2037~~ 77-2040 shall be determined pursuant to
20 procedure set forth in sections 77-2018.01 to 77-2027.

21 Sec. 6. Section 77-2017, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 77-2017. Whenever any foreign executors or
24 administrators shall assign or transfer any stocks or loans in this
25 state standing in the name of the decedent or in trust for a
26 decedent which shall be liable to inheritance tax, the tax shall be
27 paid to the ~~treasury or treasurer of the proper county~~ Department
28 of Revenue on the transfer thereof. If not paid by the foreign

1 executor or administrator, the corporation making such transfer
2 shall become liable to pay the tax where the corporation has
3 knowledge before the transfer that the stocks or loans are liable
4 for such tax.

5 Sec. 7. Section 77-2018, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 77-2018. (1) When any amount of inheritance tax shall
8 have been paid erroneously to the ~~county treasurer, he~~ Department
9 of Revenue, the department shall, upon a finding by the ~~court~~ Tax
10 Commissioner and an order ~~rendered to him~~ of the erroneous payment,
11 refund and pay to the executor, administrator, ~~or~~ trustee, or
12 person ~~or persons who have~~ who has paid any such tax in error the
13 amount of such tax so paid. All applications for the repayment of
14 the tax shall be made to the ~~county court~~ Tax Commissioner within
15 two years ~~of~~ after the date of payment. The county court shall
16 hear all evidence relevant to its finding whether or not any amount
17 of inheritance tax has been erroneously paid and if any refund of
18 such payment is due. The ~~court~~ Tax Commissioner shall notify the
19 county treasurer of its final determination. If the amount
20 determined to be erroneously paid has already been remitted to the
21 proper county or counties, the department may set off the amount of
22 the erroneous payment against future inheritance tax remittances.

23 (2) Any decision by the Tax Commissioner under this
24 section may be appealed as provided in the Administrative Procedure
25 Act.

26 Sec. 8. Section 77-2018.01, Reissue Revised Statutes of
27 Nebraska, is amended to read:

28 77-2018.01. (1) The inheritance tax, if any, imposed

1 under sections 77-2001 to ~~77-2037~~ 77-2040 may be determined either
2 (a) in any proceedings brought under the provisions of Chapter 30,
3 article 24 or 25, or (b) in a proceeding instituted for the sole
4 purpose of determining such tax.

5 (2) Proceedings for determination of the tax may be
6 initiated ~~either~~ (a) by order of the ~~county court before which any~~
7 ~~proceeding is pending~~ Department of Revenue, (b) by application of
8 the personal representative, (c) by application of the county
9 attorney, or (d) by application of any person having a legal
10 interest in the property involved in the determination of the tax.

11 Sec. 9. Section 77-2018.02, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 77-2018.02. (1) In the absence of any proceeding brought
14 under Chapter 30, article 24 or 25, in this state, proceedings for
15 the determination of the tax may be instituted in the county court
16 of the county where the property or any part thereof which might be
17 subject to tax is situated.

18 (2) Upon the filing of the petition referred to in
19 subsection (1) of this section, the county court shall order the
20 petition set for hearing, not less than two nor more than four
21 weeks after the date of filing the petition, and shall cause notice
22 thereof to be given to all persons interested in the estate of the
23 deceased and the property described in the petition, except as
24 provided in subsections (4) and (5) of this section, in the manner
25 provided for in subsection (3) of this section.

26 (3) The notice, provided for by subsection (2) of this
27 section, shall be given by one publication in a legal newspaper of
28 the county or, in the absence of such legal newspaper, then in a

1 legal newspaper of some adjoining county of general circulation in
2 the county. In addition to such publication of notice, personal
3 service of notice of ~~said~~ the hearing shall be had upon the county
4 attorney of each county in which the property described in the
5 petition is located, at least one week prior to the hearing.

6 (4) If it appears to the county court, upon the filing of
7 the petition, by any person other than the county attorney or Tax
8 Commissioner, that no assessment of inheritance tax could result,
9 it shall forthwith enter thereon an order directing the county
10 attorney or Tax Commissioner to show cause, within one week from
11 the service thereof, why determination should not be made that no
12 inheritance tax is due on account of the property described in the
13 petition and the potential lien thereof on such property
14 extinguished. Upon service of such order to show cause and failure
15 of such showing by the county attorney or Tax Commissioner, notice
16 of such hearing by publication shall be dispensed with, and the
17 petitioner shall be entitled without delay to a determination of no
18 tax due on account of the property described in the petition, and
19 any potential lien shall be extinguished.

20 (5) If it shall appear to the county court that (a) the
21 Department of Revenue and the county attorney of each county in
22 which the property described in the petition is located ~~has~~ have
23 executed a waiver of notice upon him or her to show cause, or of
24 the time and place of hearing, and ~~has~~ have entered a voluntary
25 appearance in such proceeding in behalf of the county and the State
26 of Nebraska, and (b) either (i) all persons against whom an
27 inheritance tax may be assessed are either a petitioner or have
28 executed a waiver of notice upon them to show cause, or of the time

1 and place of hearing, and have entered a voluntary appearance, or
2 (ii) a party to the proceeding has agreed to pay to the proper
3 counties the full inheritance tax so determined, the court may
4 dispense with the notice provided for in subsections (2) and (3) of
5 this section and proceed without delay to make a determination of
6 inheritance tax, if any, due on account of the property described
7 in the petition.

8 Sec. 10. Section 77-2018.07, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 77-2018.07. (1) Any person subject to the tax imposed by
11 ~~Chapter 77, article 20,~~ sections 77-2001 to 77-2040 may, prior to
12 the final determination of the inheritance tax, make a tentative
13 payment of the tax in order to avoid the accrual of interest on
14 such tax. Any person who desires to pay such tentative inheritance
15 tax shall make a written application to the ~~county court~~ Department
16 of Revenue for an order allowing the payment of a sum specified in
17 such application, prior to the final determination of the
18 inheritance tax due.

19 (2) If the county attorney ~~shall~~ does not consent to the
20 amount requested in the application by entering his or her
21 voluntary appearance and waiver of notice, he or she shall within
22 seven days of the filing of the application show in writing ~~what~~
23 ~~sum he requests~~ the amount requested for the purpose of the
24 prepayment. The ~~county court~~ Tax Commissioner shall issue an order
25 allowing a tentative payment of the tax in such amount as the court
26 shall specify.

27 (3) The ~~county treasurer~~ department shall receive all
28 taxes paid pursuant to this section but shall not be required to

1 invest any tentative tax payment made for the benefit of the estate
2 nor shall ~~such treasurer~~ the department be required to pay interest
3 on any refund claim for the period ~~he~~ it holds the tentative tax
4 payment.

5 (4) The tentative tax payment allowed in this section
6 shall apply to both probate and nonprobate estates. The tentative
7 tax payment shall not be a final order and may be amended, altered,
8 or modified by subsequent order of the court.

9 Sec. 11. Section 77-2019, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 77-2019. In order to fix the value of property subject
12 to the payment of the inheritance tax, the ~~county judge Tax~~
13 Commissioner may appoint a clerk magistrate or some other competent
14 person, or the clerk magistrate may appoint a competent person, as
15 appraiser as often as or whenever occasion may require, except that
16 when real estate is to be appraised by a competent person other
17 than a county judge or a clerk magistrate, the ~~county judge Tax~~
18 Commissioner or clerk magistrate shall appoint a registered,
19 licensed, certified residential, or certified general real estate
20 appraiser, but if the ~~county judge Tax Commissioner~~ or clerk
21 magistrate finds that no registered, licensed, certified
22 residential, or certified general real estate appraiser is a
23 disinterested freeholder of the county, some other competent person
24 may be appointed.

25 Sec. 12. Section 77-2020, Reissue Revised Statutes of
26 Nebraska, is amended to read:

27 77-2020. It shall be the duty of an appraiser appointed
28 under section 77-2019 forthwith to give such notice by mail or

1 personally to all interested persons as the ~~court~~ Tax Commissioner
2 may by order direct, of the time and place he or she will appraise
3 such property. At such time and place he or she shall appraise the
4 property at the fair market value of the same, and for that purpose
5 the appraiser is authorized by leave of the ~~court~~ Tax Commissioner
6 to issue subpoenas and to compel the attendance of witnesses before
7 him or her, and to take the evidence of such witnesses under oath
8 concerning such property, and the value thereof. ~~He~~ The appraiser
9 shall make a report thereof and of such value in writing to the
10 court with the depositions of the witnesses and such other facts
11 relating thereto as the ~~court~~ Tax Commissioner may by order
12 require, to be filed with the records of the ~~county court~~
13 Department of Revenue. Any person interested may file objections
14 to such report within five days after the report is filed with the
15 ~~court department~~. ~~The judge of the county court~~ Tax Commissioner
16 shall examine the appraiser's report and any objections thereto,
17 and may, at his or her discretion, take further evidence, and shall
18 enter an order fixing the proper appraisal of the property.

19 Sec. 13. Section 77-2021, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 77-2021. Instead of appointing an appraiser, the ~~county~~
22 ~~judge~~ Tax Commissioner may by order fix a day and give notice to
23 all interested parties and at such time appraise the property at
24 the fair market value of the same.

25 Sec. 14. Section 77-2022, Reissue Revised Statutes of
26 Nebraska, is amended to read:

27 77-2022. When the value of the property has been fixed,
28 as provided in section 77-2020 or 77-2021, the ~~county judge~~ Tax

1 Commissioner shall determine and assess the tax to which the same
2 is liable.

3 Sec. 15. Section 77-2023, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 77-2023. An appeal may be taken from the determination
6 of the tax due made by the county court of the proper county. An
7 appeal of the decision of the county court may be made to the Court
8 of Appeals in the same manner as an appeal from district court to
9 the Court of Appeals.

10 An appeal may be taken by any party and may also be taken
11 by any person against whom the final judgment or final order may be
12 made or who may be affected thereby.

13 Sec. 16. Section 77-2024, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 77-2024. The appraisers shall be paid a reasonable fee
16 to be fixed by the ~~county judge~~ Tax Commissioner, together with
17 mileage at the rate provided in section 81-1176. ~~for state~~
18 ~~employees.~~ Witnesses shall be allowed the sum of ten dollars per
19 day for every day's attendance at an appraisal hearing, together
20 with mileage at the rate provided in section 81-1176. ~~for state~~
21 ~~employees.~~ The officer serving process under sections 77-2001 to
22 ~~77-2037~~ 77-2040 shall receive the same fees as are now provided by
23 law for similar services with mileage to be computed at the rate
24 provided in section 33-117. ~~for county sheriffs.~~ When it is
25 determined that an inheritance tax is due, all costs made or
26 incurred in the determination and assessment of inheritance tax,
27 including appraiser's fees, shall be charged to the estate of the
28 decedent.

1 Sec. 17. Section 77-2025, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 77-2025. If it shall be made to appear to the county
4 judge in ~~either~~ probate proceedings or the Tax Commissioner in an
5 independent proceeding for the determination of such tax that an
6 estate is not subject to such inheritance tax, the county judge or
7 Tax Commissioner may so determine, and such finding and order shall
8 be made a part of the final decree in ~~said~~ the estate or
9 proceeding.

10 Sec. 18. Section 77-2026, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 77-2026. Any appraiser appointed under the authority and
13 by virtue of section 77-2019 who shall take any fee or reward from
14 any executor, administrator, trustee, legatee, next of kin or heir
15 of any decedent, or ~~from any~~ other person or corporation liable to
16 pay such tax or any portion thereof, shall be guilty of a Class IV
17 misdemeanor, and in addition thereto the ~~county judge~~ Tax
18 Commissioner shall dismiss him or her from such service.

19 Sec. 19. Section 77-2027, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 77-2027. The ~~county court in the county in which the~~
22 ~~real property is situated of a decedent who was not a resident of~~
23 ~~the state, or in the county of which the deceased was a resident at~~
24 ~~the time of his death,~~ Tax Commissioner shall have jurisdiction to
25 hear and determine all questions in relation to all taxes arising
26 under sections 77-2001 to 77-2040. Except as provided in section
27 77-2018, any appeal shall be to the county court in the county in
28 which the real property is situated of a decedent who was not a

1 resident of the state or in the county of which the deceased was a
2 resident at the time of his or her death. 77-2037. If a court
3 finds that in the interest of justice a proceeding or a file should
4 be located in another county court of this state, the court making
5 the finding may transfer the proceeding or file to the other court.

6 Sec. 20. Section 77-2028, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 77-2028. If it shall appear to the ~~county court~~
9 Department of Revenue that any tax accruing under sections 77-2001
10 to ~~77-2037~~ 77-2040 has not been paid according to law, after a
11 determination thereof has been made in either probate proceedings
12 or an independent proceeding for determination of such tax, ~~it the~~
13 department shall issue ~~a summons~~ an order commanding the persons or
14 corporations liable to pay such tax or interested in such property
15 to appear before the ~~court~~ Tax Commissioner on a certain day, not
16 more than three months after the date of such ~~summons~~ order, to
17 show cause why such tax should not be paid. After a hearing,
18 pursuant to this section, the ~~court~~ Tax Commissioner may ~~proceed to~~
19 ~~a judgment~~ issue an order against any person liable for the
20 inheritance tax and such ~~judgment~~ order shall be a lien against any
21 person adjudged liable to pay such tax. The ~~county attorney~~ Tax
22 Commissioner shall proceed to levy an execution of such lien before
23 the county court of the proper county and such court may issue an
24 order for the levy and execution against the person adjudged
25 liable.

26 Sec. 21. Section 77-2032, Reissue Revised Statutes of
27 Nebraska, is amended to read:

28 77-2032. All inheritance tax money received ~~or collected~~

1 by each county shall be credited by resolution of the county board
2 in whole or in part either to the county general fund or to any
3 other fund of the county selected by the county board.

4 Sec. 22. Section 77-2037, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 77-2037. Regardless of any defect in the proceedings in
7 which such inheritance tax was determined, or the jurisdiction of
8 the court to make such determination, the lien of the inheritance
9 tax shall cease upon the first to occur of: (1) Ten years from the
10 date of death of a decedent and no action shall be maintained for
11 the determination, assessment or collection of such tax, unless a
12 determination of the amount of such tax by the ~~court having~~
13 ~~jurisdiction thereof~~ Department of Revenue shall have been made
14 within such ten-year period, in which case such lien and the right
15 to maintain any action for the assessment or collection of any tax
16 shall cease five years after such determination or upon payment of
17 such tax, whichever first occurs; (2) the payment of the amount of
18 inheritance tax finally determined by the ~~county court~~ department
19 to be due with respect to property described in such proceedings;
20 or (3) the release or discharge of any lien pursuant to section
21 77-2039.

22 Sec. 23. Section 77-2039, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 77-2039. (1) Any county court may issue an order
25 discharging any or all of the property subject to any inheritance
26 tax, Nebraska estate tax, or generation-skipping transfer tax lien.

27 (2) The county court may prescribe the terms and
28 conditions upon which any inheritance tax, estate tax, or

1 generation-skipping transfer tax lien shall be released or
2 discharged.

3 (3) Any person who desires a release or discharge of any
4 inheritance tax, estate tax, or generation-skipping transfer tax
5 lien shall make a written application to the county court. If the
6 ~~county attorney shall~~ Tax Commissioner does not consent to the
7 release or discharge of the lien as requested in the application by
8 entering his or her voluntary appearance and waiver of notice, he
9 or she shall within seven days of the filing of such application
10 show in writing why such release or discharge should not be granted
11 or shall specify the terms and conditions upon which such release
12 or discharge should be allowed.

13 Sec. 24. This act becomes operative on January 1, 2004.

14 Sec. 25. Original sections 77-2003, 77-2008.01, 77-2009,
15 77-2012, 77-2014, 77-2017 to 77-2018.02, 77-2018.07 to 77-2028,
16 77-2032, 77-2037, and 77-2039, Reissue Revised Statutes of
17 Nebraska, are repealed.

18 Sec. 26. The following sections are outright repealed:
19 Sections 77-2018.03 and 77-2030, Reissue Revised Statutes of
20 Nebraska.